



Bureau of HIV and STD Prevention

HIV/STD Clinical Resources Division
HIV/STD Epidemiology Division
HIV/STD Health Resources Division

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HIV/STD Policy No. 520.002

STAFF EDUCATION, ASSOCIATION MEMBERSHIPS, TRAINING FEES AND INSURANCE PAYMENTS USING CONTRACT FUNDS

PURPOSE

This policy will describe what fees, licensure, memberships, training and educational costs a contractor of the Texas Department of Health (TDH), Bureau of HIV and STD Prevention (Bureau) may pay for using federal or state services and prevention contract funds.

BACKGROUND

Contractors who receive funds from the Bureau may occasionally question whether certain costs may be paid using federal and/or state contract funds. These costs include training to enhance the skills of volunteers and employees, payment for certain licenses and memberships or payments for actual educational expenses.

AUTHORITY

1 TAC, §§ 5.141-5.167; Texas Uniform Grants Management Standards (UGMS) Attachment A; Office of Management and Budget (OMB) Circular A-87, A-122, or A-133

DEFINITIONS APPLIED TO BUREAU POLICY

Advertising announcements, solicitations and notices placed through media.

Media magazines, newspapers, radio, television, direct mail, exhibits, the Internet and other mediums which charge for providing advertising services.

PRIOR APPROVAL

Contractors with questions about whether a cost is allowed should refer to the Texas UGMS and the OMB circular and attachment cited in the authority section of this policy. When reading the circular, contractors will note that some items indicate that prior approval must be obtained before spending contract funds for a particular expense. Prior approval means that the contractor must call or write the appropriate Bureau division staff to receive written approval to spend any funds for a particular purpose. This requirement applies to federal and state funds.

When funds are spent in an area in which prior approval was required, and such approval was not given, the state will not reimburse the contractor for those funds and

the contractor may be sanctioned for spending the funds inappropriately (See Bureau Policy No. 540.001).

The specific costs included in a grant application are considered to have met the prior approval requirement once the grant's budget has been successfully negotiated. The requirement for receiving approval prior to expending project funds does not pertain to costs contained in a negotiated contract if documented.

The requirement to receive prior approval also applies to grant subrecipients.

USE OF FUNDS

Unless otherwise specified, the provisions found in this policy apply to all funds allocated through the Bureau.

ALLOWABLE COSTS

The following costs are allowable. However, the amount of funds allocated for expenditure is negotiable when specifically identified in a grant application budget. Costs included in grant applications must be reasonable and prudent and, may be considered as direct and indirect costs of doing business. Costs which require an institutional prior approval (IPA) are identified with a "Yes" in the IPA column.

The contractor should carefully evaluate the requested training to determine its pertinence to the overall operation and administration of funds according to the basic considerations outlined in UGMS Attachment A and applicable OMB Circulars.

Staff and boards of directors

	IPA	Type of Cost
1.	No	Bonding of employees or officials
2.	No	Medical or dental insurance for employees
3.	No	Director and Officer (D&O) indemnification insurance
4.	Yes	Consultant services authorized in HIV/STD Policy No. 520.001, "Consultant Services and Consulting Fees Paid by a Contractor Through Direct Costs"
5.	No	Registration and associated costs to attend the Texas HIV and STD Conference sponsored by the TDH
6.	Yes	Membership in civic, business, technical and professional organizations when membership in such an organization is essential to the performance of a federal or state program
7.	Yes	Subscriptions to civic, business, professional, and technical periodicals
8.	Yes	Part-time education, at an undergraduate or post-graduate college level, when the course or degree pursued is relative to the field in which the employee is now working or may reasonably be expected to work. Costs are limited to training materials, textbooks and fees charged by the

		educational institution
9.	Yes	Tuition, fees, training materials, and textbooks in connection with full-time education at a post-graduate (not undergraduate) college level related to the field in which the employee is now working or may reasonably be expected to work. Subsistence, salary, or any other side benefits are not covered. Costs are limited to those spent during a period not to exceed one school year per trained employee. In unusual cases the period may be extended.
10.	Yes	Attendance for up to 16 weeks per employee per year at specialized programs designed to enhance the effectiveness of executives or managers, or to prepare employees for such positions. Such costs include enrollment fees, training materials, textbooks and related charges, employees' salaries, subsistence, and travel. Costs allowable under this paragraph do not include those for courses that are part of a degree-oriented curriculum discussed above.
11.	Yes	Training and education costs, including those for continuing education credits, in excess of those otherwise stated above may be allowed with Bureau approval. To be considered for approval, the organization must demonstrate that such costs are consistently incurred in carrying out an established training and education program. The course or degree pursued must be relative to the field in which the employee is now working or may reasonably be expected to work.

Additional requirements for IPA items 8, 9, 10 and 11

- Education and/or training must be directly related to the job duties of the individual who will attend such education and/or training
- The contractor must establish a maximum dollar amount to be spent on education and/or training per individual
- The contractor must require the individual receiving education and/or training to sign a reciprocal agreement obligating the individual to a specified length of service for each semester paid for by the contractor

These requirements are subject to monitoring by the Bureau during routine site visits.

Consortia, community planning groups, and other advisory groups

Only training costs related to consortia, community planning groups and, other such advisory groups (when the formation of such a group is required by related federal or state programs) are allowable.

Funds may not be used to insure or bond any member of an advisory group.

1 UNALLOWABLE COSTS

2
3 The following costs are not allowed:

- 4
5 1. entertainment unless such costs are directly related to the program's scope of work
6 and approved by the Bureau;
7 2. funds awarded may not be used to pay for professional licensure or to meet
8 program licensure requirements;
9 3. any funds associated with an organization's lobbying activity (including salaries,
10 expenses, travel, per diem, contracts for a professional lobbyist, or membership in
11 any organization whose mission includes lobbying), and
12 4. malpractice insurance.

13 DATE OF LAST REVIEW:

14 November 13, 2002 Converted format from WordPerfect to Word.

15 REVISIONS

16	17	18
19	Page 1, line 15	added the item number 1. before the line in the table
20	Page 1, line 16	added the item number 2. before the line in the table
21	Page 1, line 17	added the item number 3. before the line in the table
22	Page 1, line 18	added the item number 4. before the line in the table
23	Page 1, line 20	added the item number 5. before the line in the table
24	Page 1, line 22	added the item number 6. before the line in the table
25	Page 1, line 24	added the item number 7. before the line in the table
26	Page 1, line 26	added the item number 8. before the line in the table
27	Page 1, line 28	deleted the asterisk at the end of the sentence
28	Page 1, line 33	deleted the asterisk at the end of the sentence
29	Page 1, line 31	added the item number 9. before the line in the table
30	Page 2, line 3	added the item number 10. before the line in the table
31	Page 2, line 9	added the item number 11. before the line in the table
32	Page 2, line 13, 14	deleted the asterisk and text "Organizations may consider a 33 reciprocal agreement with the employee whereby the 34 employee agrees to remain with the agency for a specified 35 period of time after the end of the educational term." 36 Page 2, line 13-23 Added a new section entitled " <u>Additional requirements for 37 IPA items 8, 9, 10 and 11</u> "